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Africa Review

5 January 1979

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AFRICA REVIEW (U)

5 January 1979

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France-Guinea: Reconciliation and Cooperation (U)

French President Giscard's highly successful state visit to Guinea last month--the first by a French chief of state since Guinean independence--was of historic importance for this former breakaway French colony and long-time opponent of French policies in black Africa. The visit capped a three-year-old rapprochement process between the two countries and underscored Guinean President Toure's new openness toward the West, after 20 years of stormy relations with France and heavy reliance on the Soviet Union. The way has been cleared for increased Franco-Guinean economic, scientific, technical, and political cooperation. (C)

Franco-Guinean relations have been turbulent for most of the period since 1958 when Toure led Guinea to independence after 95 percent of its people declared themselves independent of France and rejected membership in French President De Gaulle's proposed Franco-African community. All other francophone states of former French black Africa opted for independence in 1960 in close partnership with France. Guinea's break with France led to a brusque and wholesale French withdrawal from the country--including the widely reported removal of the Guinean telephone system--which greatly aggravated anti-French sentiment there. Guinea thereupon viewed France as its principal "imperialist" enemy, as Toure sought to achieve a social and political revolution aimed at transforming Guinea into a modern socialist state. (U)

Both Paris and Conakry have drawn their own conclusions about the consequences of the rupture. The sometimes visionary, sometimes pragmatic Toure has realized that his almost exclusive cooperation with the socialist countries has born little fruit; the level of development in potentially rich Guinea compares poorly with that of its neighbors in francophone Senegal and Ivory Coast. (U)

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Toure has no intention of breaking with the socialist path he has chosen. But loans, investments, and Western experts are more welcome, and Toure now seems to regard France as a privileged partner in the area of economic development. During the past two years, Toure has been carrying out a slow evolution designed to rebuild the Guinean economy and attract Western capital without discouraging aid from the Socialist countries. (U)

In addition to France's cultural and linguistic ties with Guinea and interest in its natural resources, which include about one-third of the world's bauxite and considerable agricultural potential, Paris is interested in sponsoring Guinea's return to the "family circle" of French-speaking countries. Giscard also wants to polish his "progressive" credentials by showing that France can draw closer to African "progressives" like Angola, Madagascar, Ethiopia, Benin, and now Guinea. Talk of a peculiarly different "African" form of development that eschews both Communism and capitalism fits into Giscard's grand design of a "European-African" association which he believes will help keep Africa free from superpower rivalries. (U)

During the recent visit, the two presidents agreed that negotiations would begin before next March to develop concrete agreements concerning economic and technical cooperation, financial relations, and cultural and scientific exchanges. In welcoming Giscard, Toure spoke of Guinea's desire to benefit from French technology and capital investment in mixed enterprises. He said that Guinea did not intend to fix any limit on bilateral economic cooperation with France so long as it contributed to Guinea's chosen path of socialist development. Giscard implied in his public remarks that substantial French material assistance would be forthcoming, but such aid may not be nearly as large as the Guineans hope for. (C)

It appears that French economic support to Guinea will at least be doubled. The French have set aside \$200,000 to be used for a quick, highly visible economic project to symbolize French cooperative intentions. The French Government reportedly intends to increase its annual \$2 million technical assistance program by 10 to 15 percent per year. This is to be supplemented by

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another \$2 million in aid for equipment, construction, and other projects. Export insurance loans covering the sale of French goods to Guinea is also to be increased from \$20 to \$60 million. (C)

The future financial relationship between Guinea and France could well take the form of a French line of credit. It seems unlikely that Guinea, which wants to maintain the appearance of economic independence, will move soon toward full membership in the French-sponsored African Financial Community in which most other ex-French territories participate. Some form of Guinean association with the African franc zone, however, cannot be ruled out. (C)

Although the two sides reportedly discussed the possibility of French training for Guinean Air Force pilots, no military agreements apparently resulted from Giscard's visit. Last year, Guinea turned to Paris for military equipment for the first time since 1958 when it bought two naval patrol boats from France. There are reports that Guinea may have acquired two additional French craft. (S)

Giscard expects to consult periodically with Toure, who is the dean of African heads of state and fancies himself an African elder statesman, particularly on questions of intra-African coordination and European-African relations. The two presidents also talked about foreign interference in African affairs, a subject on which Guinea has lately become considerably more evenhanded in reaction to massive Soviet and Cuban involvement in the Horn of Africa. (C)

It is unclear how hard Giscard may have pressed Toure on Guinea's poor human rights record. The French said that "all subjects" had been touched upon in the 10 hours of conversation between the two presidents, but there was no public reference to human rights. Toure is said to have freed at least five political prisoners married to French citizens as a gesture of good will to the French and the release of one of the most prominent Guineans in custody, Archbishop Tchidimbo of Conakry, who has dual nationality, may be imminent. (U)

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Nonetheless, much of the French press viewed the visit with wariness and some reservation. Liberal columnist Raymond Aron observed that Giscard "in exchanging handshakes and embraces with a despot whose only rival on the African continent was Idi Amin" compromised the dignity of the first magistrate of the French republic. Le Monde noted Toure's recent categorization of Amnesty International as "rubbish" and warned about the dangers of counting on the good will of dictators or autocrats. Toure, for his part, has blamed the French press for the "wall of misunderstanding" that has blocked Franco-Guinean reconciliation in the past. (U)

Despite these polemics, France last year once again became Guinea's principal supplier, providing 22 percent of its imports. Important contracts have been signed since 1975, when diplomatic relations were restored, and the number of French teachers and technicians in 1978 reached over 800. Yet there is resistance in France to too close an identification with the Guinean regime and given Toure's personality, his trek back toward the francophone countries is bound to have its ups and downs. (U) (SECRET)

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South Africa: Iranian Oil (C)

South Africa is heavily dependent on Iran for oil supplies, but it is well prepared for a short-term interruption of oil imports. Over the long haul, South Africa could probably cope with a loss of about half its oil imports from Iran through a combination of alternative suppliers, spot market purchases, and conservation measures. Since much of the oil would probably be bought at a premium, economic growth in South Africa might slow somewhat. Iranian Prime Minister-designate Bakhtiar has indicated that Iran probably will not continue to sell oil to South Africa and a complete cut-off of Iranian supplies would be more difficult to deal with. Pretoria may be able to negotiate oil shipments from Arab countries and could be aided by several major oil companies that own refineries in South Africa. (S NF NC OC)

Although South Africa relies on Iran for 80 percent of its oil needs, Pretoria has strategic oil stockpiles equal to at least two years' supply at current consumption levels (estimated at 350,000 barrels or more per day). These stockpiles have been built up in the past 10 to 15 years as a precautionary measure against the threat of economic sanctions. Pretoria could also take several measures to stretch out its oil supplies, including rationing and reducing exports of refined products to neighboring countries. (S NF)

To recoup short-term oil import losses, the government and the oil companies in South Africa have been purchasing crude oil on the spot market, albeit at a high cost--about 10 percent more than comparable average OPEC prices. To subsidize these premium-priced imports, South Africa has just raised gasoline prices by 10 percent--more than is needed to cover the recent OPEC price increase. Although Pretoria has yet to take any other measures to raise revenue for oil imports or curtail domestic consumption, it may in the near future tighten its curbs on gasoline sales hours. (S NF)

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Pretoria has been actively negotiating for a principal substitute supplier since early November. While we do not know if a new long-term oil contract was concluded, a Saudi delegation reportedly was in South Africa early in November to negotiate a three-year deal for 350,000 barrels per day. This delegation may have represented the Aramco oil consortium that produces and markets almost all of Saudi Arabia's oil, since Saudi law prohibits direct sales to South Africa. In addition, South Africa reportedly is negotiating with Argentina to supply offshore drilling technology in return for oil concessions. Although it has little experience in construction of offshore drilling platforms, South Africa has the shipyard capacity for such an endeavor. (S NF NC OC)

Even if Iranian supplies are cut off or production remains well below normal in 1979, South Africa would benefit in its search for additional long-term crude supplies from the efforts of international oil companies, which account for about 90 percent of South Africa's total refining capacity. One company reportedly has already acquired 6 million to 8 million barrels of oil for its South African affiliate to ensure operations for the next three to four months. This company is also actively seeking additional crude supplies from the UK, Indonesia, and Peru. (C NF)

If South Africa experiences sizable gaps in its oil import requirements in the next year or so, the implications for international shipping for neighboring countries will be significant. Pretoria controls the bunkering facilities in oil ports and has the option of curtailing these supplies; such a move would restrict the large number of ships now using South African facilities while transiting the Cape. South Africa is an intermediary for oil supplies going to Swaziland, Lesotho, and Botswana and has the option of cutting off supplies to these states. In addition, crude is imported for refining and transshipment to Rhodesia. Despite existing political commitments, Pretoria could feel compelled to limit these shipments. (S) (SECRET NOFORN-NOCONTRACT-ORCON)

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Botswana: Police and Army Disagrees Over Black Guerrillas (S NF)

In late December a combined Botswanan Army and police patrol intercepted 60 Zimbabwe African People's Union (ZAPU) guerrillas attempting to infiltrate into Rhodesia. The group was taken into custody near Francistown. ZAPU officials in Zambia reportedly are angered by Botswana's action and believe that if Botswanan police units were not involved, the ZAPU guerrillas would have been allowed to cross into Rhodesia. (S NF NC OC)

The police and the Army apparently disagree over how to handle foreign black guerrillas on Botswanan soil. The 1,000-man police force is headed by Simon Hirschfeld, an experienced British trained officer. Since its creation by the British prior to Botswana's independence, the police force has had a tradition of professional and apolitical service. It is better trained than the newly formed Army, and can be counted on to execute official policy. Its primary function seems to be to ensure public order and safety, but it probably also plays a significant role in patrolling Botswana's borders. The police are reportedly particularly effective in seeking and capturing infiltrators. (C)

The 1,300-man Botswanan Army was created in 1977, primarily to deal with the increasing violence on the border with Rhodesia. It is not well-armed or trained and, although Botswana's official policy is not to allow the country to be used as a transit area for ZAPU and other liberation groups seeking access to Rhodesia and South Africa, Army personnel often deliberately turn a blind eye to the presence of armed guerrillas in the country. The Army generally takes action against foreign guerrillas in Botswana only to avoid being embarrassed. (S NF NC OC)

Brigadier Ian Khama, son of President Seretse Khama and deputy commander of Botswana's Army has on several

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occasions advocated aiding black Rhodesian and South African guerrillas in spite of President Khama's policy that guerrilla forces be expeditiously deported to Zambia. Ian Khama's youth (he is 25) and inexperience probably cause him to be a more militant advocate of the black nationalists' cause than his counterpart Hirschfeld, who seems to be more conservative and is less autonomous. Hirschfeld reportedly often talks to his counterparts in the Rhodesian and South African security forces when tense border situations arise. There have been no indications that Brigadier Khama participates in such a liaison; in fact, the South Africans reportedly mistrust him and are reluctant to deal with him. (S)

President Khama has long tried to balance the conflicting pressures buffeting Botswana as a result of the presence of black guerrillas in his country. He has until now been able to steer a careful course between carrying out his responsibilities as head of one of the Front Line states and the counter-pressures resulting from the economic hold that Rhodesia and South Africa have on his country. President Khama's policy also reflects his fear that a growing guerrilla presence in Botswana will antagonize Salisbury and Pretoria and invite military reprisal from those countries. (U)

Although the Botswanan Government continues to stand fast in its refusal to allow unimpeded guerrilla movement through its territory, ZAPU officials are continuing to try to convince the government to permit stepped-up ZAPU infiltration into Rhodesia. ZAPU groups have little trouble infiltrating the country partly because of defense force indifference to their presence. The ZAPU high command is, nonetheless, still intent on obtaining official permission for its troops to transit Botswana. (S NF NC OC) (SECRET NOFORN-NOCONTRACT-ORCON)

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Rhodesia: White Emigration (U)

The emigration of white Rhodesians has accelerated sharply since mid-1978 because of increased guerrilla activity, white objections to Prime Minister Smith's plan to turn over power to a black majority government, and the country's current economic slump. In 1978, 13,000 more whites left the country than entered--a drain of about 5 percent of the white population. Reports of "extended vacations" indicate that an additional 20,000 to 30,000 persons may have emigrated. Outflows appear likely to rise in 1979. An even greater exodus would be sparked by a surge in guerrilla activity. (C)

In the last three years, 31,000 more whites left Rhodesia than entered, a dramatic reversal of figures for the preceding 10 years. The trend was caused initially by increased guerrilla activity accompanied by a deepening economic recession. The outflow increased as families saw neighbors, relatives, and coworkers leave. After leveling off somewhat in early 1978, emigration nearly tripled in the second half of the year when it became apparent that Smith's internal settlement would not lead to a cease-fire or an end to UN economic sanctions. (C)

Most of those who have left so far are professionals or white collar workers. More than half the white males who left in 1978 were reportedly between the ages of 25 and 45. Many of those leaving hold dual citizenship in the UK, South Africa, or other countries. (C)

Salisbury has tried to discourage the outflow by limiting the amount of foreign exchange and personal belongings emigrants can take with them. The government also is delaying emigrant processing and is offering financial incentives to its employees to induce them to stay. (C)

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Impact of Emigration

Emigration has contributed to a 20-percent decline in GNP since 1975. A contracting domestic market and tight government economic policies aimed at facilitating large military imports have weakened demand. Decreased demand for a wide range of consumer durables--as Rhodesians increasingly put their money into portable valuables--has contributed to a slowdown in manufacturing. (C)

The manpower drain has not yet made itself felt in the military. The Security Forces (Army, Air Force, and police) employ about 12,000 active-duty whites--about 10 percent of the white labor force. Another 23,000 to 26,000 whites are in the military and police reserves available for immediate callup. Increasing emigration, however, serves indirectly to check expansion of the white military forces. (S NF)

The emigrant flow and the possibility of its increase convinced Smith and his black nationalist partners to provide for greater white participation in the government than they had originally planned. The test of Smith's plan will come with the white referendum on the constitution scheduled for 30 January. (S NF)

Emigration Outlook

Sharply increased emigration in 1979 is likely. The number of guerrillas in the country increased from about 3,000 to 4,000 in 1977 to 10,000 currently. An upsurge in terrorist incidents could well induce a large number of whites, particularly those holding dual citizenship--some 50,000, or 20 percent of the white population--to leave. It might even shake the resolve of the 100,000 whites whom we estimate have elected to stick it out in Rhodesia through 1979 or longer. (S NF NC)

Indications that emigration will increase in the next few months include the following:

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- Local moving companies have backlogs of two or more months.
- One-way tickets reportedly accounted for 30 percent of December bookings on South African Airways' flights to Pretoria.
- Many Rhodesians are said to have used the Christmas holidays to seek employment overseas.

The loss of 25 percent or more of Rhodesia's European population would bring immediate and irreparable damage to the white war effort and the economy. (S NF NC)
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GHANA: Head of State General Akuffo has announced some additional political measures intended to improve the popular acceptance of his military regime and to set the stage for a more workable civilian government that is scheduled for next July. Last week, the government lifted the state of emergency it imposed last November to counter growing labor unrest that threatened to upset the regime's economic recovery program. The regime has also recently dropped its insistence that Ghana's future civilian government be an "interim" one and has charged the newly appointed constituent assembly with drafting a permanent civilian constitution. (C)

The public, which hopes for the emergence of a new generation of civilian leaders, has reacted positively to the government's decision last month to disqualify many leading old guard politicians from contesting elections this summer because of their corruption under previous regimes. The leaders of all major factions of the two parties that dominated past civilian politics have been effectively barred from political activity, which the government allowed to resume on 1 January. (C)

The last major bone of contention between the military and civilians is the latter's continuing insistent demand for investigation of Army officers suspected of corruption under the rule of ousted General Acheampong. The ruling council, which includes some former associates of Acheampong, shows no sign of giving into pressure on this one. This may leave a civilian government that comes to power little choice but to probe top Army officers, which could risk antagonizing the military early in its tenure. (C) (CONFIDENTIAL) [REDACTED] ORPA, [REDACTED]

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